



October 17, 2023

Honorable Lewis J. Liman
United States District Judge
United States District Court
Southern District of New York

Re: United States Securities and Exchange Commission v. Elon Musk
No. 18-cv-8865 (LJL)
United States Securities and Exchange Commission v. Tesla, Inc.
No. 18-cv-8947 (LJL)

Dear Judge Liman:

Rust Consulting, Inc. (the “Distribution Agent”) respectfully submits this status report.

The Plan of Distribution (the “Plan”) was approved by this Court on March 25, 2022.

The Distribution Agent prepared a list of the Payee information, including the name, address, calculated Recognized Loss, and the amount of the Distribution Payment for all Payees (the “Payment List”). The Distribution Agent also provided to the Commission staff a Declaration on August 21, 2023 representing among other things the completeness and accuracy of the Payment List.

The Distribution Agent established an escrow account with Huntington National Bank as well as a controlled disbursement account on or around August 25, 2023 for the purposes of funding Distribution Payments to be distributed to Payees pursuant to the Plan.

Pursuant to this Court’s Order from September 1, 2023, a balance of \$41,532,229.44 was transferred to the established escrow account. The Fair Fund was distributed to Payees on September 29, 2023 (3,350 payments totaling \$41,532,229.44). The Distribution Payments were accompanied by (a) a statement characterizing the distribution; (b) a statement that the tax treatment of the distribution was the responsibility of each Payee; (c) a statement that checks will be void and cannot be reissued after ninety (90) days from the date the original check was issued; and (d) contact information for the Distribution Agent if the Payee had any questions.

The Distribution Agent mailed letters on September 29, 2023 to 365 Eligible Claimant’s whose Distribution Amount was less than the Minimum Distribution Amount of \$10.00. The letters notified the Eligible Claimant’s that their calculated Distribution Payment for their claim was less than the

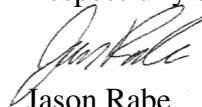
Minimum Distribution Amount, and as a result, they will not receive a Distribution Payment from the Fair Fund.

All reissued checks shall expire 90 days from the date of the original check, or 30 days from the date of the reissued check, whichever is later per the Plan. The Distribution Agent shall also research and attempt to locate all Payees whose checks are returned as undeliverable by the United States Postal Service.

Attached hereto is an interim accounting of all monies in the Fair Fund, including the value of the account(s), all monies earned or received into the account(s), funds distributed to Payees, and any monies expended from the Fair Fund to satisfy any fees, costs, taxes, and other expenses incurred.

Pursuant to Paragraph 99 of the Plan, the Distribution Agent will provide additional progress reports within twenty (20) days after the end of every quarter.

Respectfully submitted,



Jason Rabe
Program Manager
Rust Consulting, Inc.

